

ASX APPENDIX 4D

FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. DETAILS OF REPORTING PERIOD

Name of Entity	Firebrick Pharma Limited (the Company)
ABN	64 157 765 896
Reporting Period	31 December 2024
Previous Corresponding Period	31 December 2023
Presentation Currency	Australian Dollar (\$)

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	31 Dec 2024 \$	31 Dec 2023 \$	% Change	\$ Change
Revenues from ordinary activities	196,752	-	n/a	196,752
Loss from ordinary activities after tax attributable to members	1,446,378	898,418	Up 60.99%	547,960
Loss after tax attributable to members	1,446,378	898,418	Up 60.99%	547,960

	Amount Per Security	Franked Amount Per Security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Previous Corresponding Period	Nil	Nil
Record Date for Determining Entitlements	Not Applicable	

Commentary on results:

For further information, refer to the review of operations contained in the directors' report, which forms part of the attached consolidated financial statements.

3. NET TANGIBLE ASSETS PER SHARE

	31 Dec 2024	31 Dec 2023
Net tangible asset backing per ordinary security	0.71 cents	0.89 cents

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4. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

Control gained over entities

Name of entity (or group of entities)	N/A
Date control gained	N/A
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	N/A
Consolidated profit/(loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material)	N/A

Loss of control over entities

Name of entity (or group of entities)	N/A
Date control lost	N/A
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	N/A
Consolidated profit/(loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material)	N/A

5. DIVIDEND DETAILS

No dividend has been paid or recommended to be paid for the half-year ended 31 December 2024.

6. DETAILS OF DIVIDEND REINVESTMENT PLANS

N/A

7. DETAILS OF ASSOCIATE AND JOINT VENTURE ENTITIES

N/A

8. FOREIGN ENTITIES

N/A

9. AUDIT

This report is based on accounts that have been subject to an audit review. The Independent Auditor's Report contains a paragraph drawing attention to a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. The attached financial report has been prepared on a going concern basis. There are no items of dispute with the auditor.



Dr Peter Molloy
Executive Chairman & Chief Executive Officer

20 February 2025

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Financial Report

For the half-year ended
31 December 2024



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CORPORATE DIRECTORY

Board of Directors

Dr Peter Molloy – Executive Chairman & Chief Executive Officer
Dr Stephen Goodall – Executive Director & Chief Operating Officer
Dr Phyllis Gardner – Non-Executive Director

Company Secretary

Mr Stephen Buckley

Registered Office

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Melbourne, Victoria 3000

Phone: 1300 301 874

Web: www.firebrickpharma.com

Auditor

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Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, Western Australian 6000

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Perth, Western Australia 6000

Phone: 1300 288 664 (within Australia) +61 2 9698 5414 (outside Australia)

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Email: hello@automic.com.au

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Securities Exchange Listing

ASX Limited
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152-158 St Georges Terrace
Perth, Western Australia 6000

ASX Code

FRE – fully paid ordinary shares

DIRECTORS' REPORT

The Directors of Firebrick Pharma Limited ("Firebrick" or "the Company") submit herewith the financial report of Firebrick Pharma Limited and its controlled entities ("the Group") for the half-year ended 31 December 2024. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

DIRECTORS

The names of Directors of the Company during or since the end of the half-year are:

Dr Peter Molloy
Dr Stephen Goodall
Dr Phyllis Gardner

The above-named Directors held office during and since the end of the half-year. The following director no longer holds office:

Dr Richard Treagus – ceased 30 September 2024

COMPANY SECRETARY

Mr Stephen Buckley held the position of Company Secretary during and to the date of this report.

REVIEW OF OPERATIONS

The Singapore Launch of Nasodine

The half year ending 31 December 2024 was a positive and eventful one for the Company, as we started actively marketing Nasodine® Nasal Spray (**Nasodine**) in Singapore.

Why did we choose Singapore as an early international market for Nasodine? The initial reason was a pragmatic one – that the local drug regulator, Health Sciences Authority (**HSA**) classified Nasodine as a topical antiseptic and therefore Nasodine did not require specific regulatory approval before marketing, other than approval of any advertising to consumers, which we obtained on 12 June (see our announcement 13 June 2024).

HSA approval of the consumer advertising turned out to be very positive for us, because it allowed us to promote Nasodine to consumers as "the nasal spray that kills germs", with the claim being that it can help defend against the daily threat of germs in situations such as commuting, socialising, working and travelling. This effectively positioned Nasodine as a prophylaxis (preventative) for all respiratory infections. As noted in our Annual Report (see announcement 30 August 2024), we now consider this positioning to represent a much larger opportunity than treatment of the common cold.

Phase 1: Online Marketing of Nasodine

During the half year, we implemented a social media advertising campaign aimed at promoting the prophylaxis positioning for Nasodine and by the end of the half year, we saw the fruits of that campaign with growth in online sales in Singapore.

Online availability of Nasodine also gave Australians – for the first time – the opportunity to buy and import Nasodine for personal use (the product is not yet available in Australia). I am pleased to say that hundreds of Firebrick shareholders have taken advantage of this over the last six months. Judging from the reviews on the website (nasodine-sg.com) the experiences of those who have used the product has been 100% positive. We encourage shareholders to go to the website and read the reviews.

Singapore Phase 2: Marketing of Nasodine to HCPs

On 31 October 2024, we announced the start of the next important phase of the marketing of Nasodine in Singapore, which was the promotion of Nasodine to doctors and hospitals, through our marketing representation agreement with Innorini Life Sciences (**Innorini**). The advocacy and support of doctors and other healthcare professionals (**HCPs**) is important for the long-term adoption and reputation of Nasodine in all markets.

Subsequently, in November and December 2024, the Innorini sales team visited 269 Singapore doctors and HCPs, and the response to Nasodine has been reported to us as very positive overall, with 97% of doctors accepting samples of Nasodine to try in their clinical practice.

In addition, in Singapore (and many Southeast Asian countries) doctors can dispense and sell prescription and over-the-counter (**OTC**) medicines, making HCPs a potentially valuable channel for sales of Nasodine, independent of retail pharmacy. In the two months of the half-year (November and December) that Innorini promoted and sampled Nasodine to doctors, we saw the start of sales to doctors and expect to see more sales through this channel in the second half of the financial year.

However, online and HCP sales will take time to build to a significant level. The real opportunity for rapid sales growth comes with distribution and promotion through the retail pharmacy chains.

DIRECTORS' REPORT

Singapore Phase 3: Retail Pharmacy Launch of Nasodine

On 9 September 2024, we announced we had hired Keith Shortall, a former J&J Consumer Health senior executive with strong experience in Southeast Asia. His primary goal was to get Nasodine into one of the retail pharmacy chains in Singapore. On 25 November 2024, we announced that he had achieved that goal already, with an exclusive agreement with Guardian Health & Beauty (**Guardian**), the largest pharmacy chain in Singapore, to promote and sell Nasodine. Under the deal, Guardian has exclusive access to Nasodine for one year before Firebrick can open it up to other pharmacy chains in Singapore.

To support the Guardian deal, Firebrick needed a local logistics partner to work with Guardian and provide all the logistics, invoicing and other services to make the deal with Guardian work. So in the same announcement as the Guardian deal (25 November 2024), we announced that we had executed a distribution agreement with DKSH Singapore Pte Ltd (**DKSH**) to provide those services.

In December 2024, we shipped pharmacy launch stocks of Nasodine to DKSH for distribution to Guardian outlets. In January 2025, Nasodine stocks reached most Guardian pharmacies and retail sales commenced. The Company will report on the development of these retail sales during 2025.

The importance of Singapore for partnering

Another motivation for launching Nasodine in Singapore and achieving strong results, is that it represents a showcase market and proving ground for the commercial potential of Nasodine as a nasal antiseptic. If successful, it will prove Nasodine's commercial potential for both Firebrick investors and future marketing partners throughout the region and elsewhere.

We already have one partner, SV More, in the Philippines, who are planning to launch Nasodine there in 2026, subject to completion of local manufacturing and registration requirements. The results in Singapore will help them in determining Nasodine's strategy and potential in the Philippines.

Nasodine has also attracted the interest of partners in other countries in Southeast Asia and beyond. There is a good chance that this could translate into new partnership deals that can be announced during calendar 2025.

USA strategy and sales development

Nasodine was launched online in the United States (US) in April 2024 (see announcement 17 April 2024) as a nasal cleanser for 'nasal hygiene'. This was in line with legal advice received by the Company that if we made no therapeutic claims, the product could be legally marketed under the cosmetics provisions of the US Food, Drug & Cosmetics Act. Indeed, it was apparent that several other PVP-I nasal sprays were on the market in the US on the same basis.

In the US (unlike Singapore), no direct claims can be made about Nasodine's germ-killing properties. This limits the marketing opportunity for Nasodine and makes it challenging to generate interest from the retail pharmacy chains, with the marketing opportunity therefore limited to online sales only.

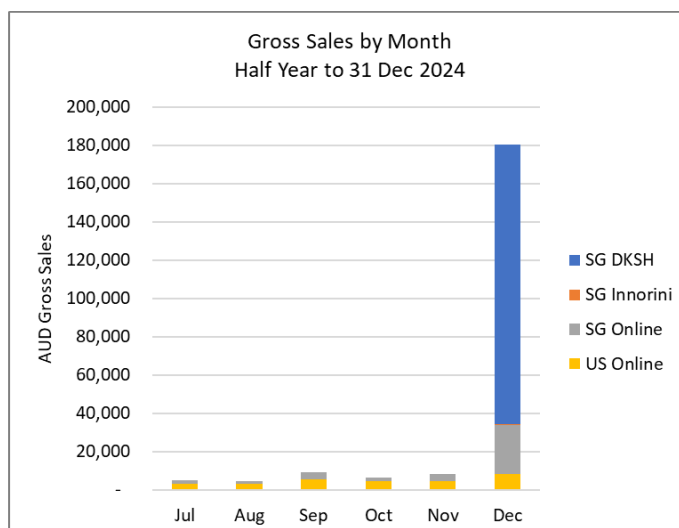
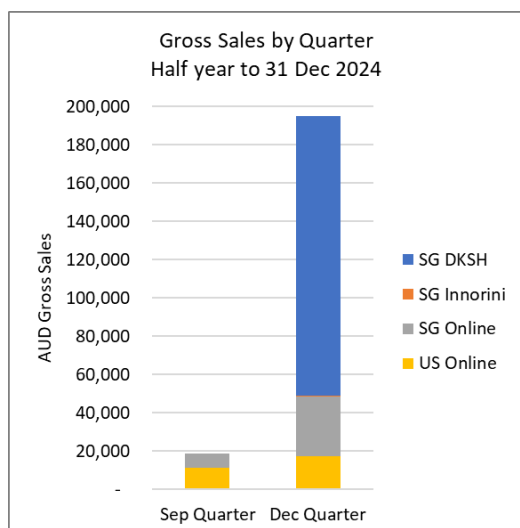
Despite these limitations, online sales of Nasodine in the US have shown solid growth, and in the December 2024 quarter, online orders through the US website grew by 35% compared with the September 2024 quarter; in calendar 2025, the upward trend in orders is expected to continue.

The Company's goal for calendar 2025 is to promote online sales growth in the US, while maintaining the US business at or close to cash flow neutral as possible, to avoid the negative impact of the currently unfavourable exchange rate.

Summary of Nasodine sales development

In the half year ended 31 December 2024, sales grew significantly, driven mainly by the start of Singapore retail marketing as well as significant growth in Singapore online sales, as shown in the charts below:

DIRECTORS' REPORT



Annual General Meeting

The Company held its Annual General Meeting on 27 November 2024 as a virtual meeting, with all resolutions passed on a poll.

Financial Review

During the half year ended 31 December 2024, the Company received an R&D Tax Incentive (RDTI) payment of \$919,656 for eligible R&D expenditure incurred in 2023/24.

The net loss for the half year, after providing for income tax was \$1,446,378 (31 Dec 2023: \$898,418). However, the apparent increase in the net loss was due to a change in the accounting treatment of the RDTI, whereby the RDTI payment of \$919,656 that was received during the half year was already recognised (accrued) in the accounts at 30 June 2024, rather than in the current financial year. Had this been reported when received in the current half year, the operating loss for the half year would have been reduced to \$526,722.

Operating expenses for the half year were down by 42% overall, as shown in the table below:

	HY Dec 2023	HY Dec 2024	Increase/(decrease)
	\$'000s	\$'000s	%
Research and development	1,616	412	(74%)
Consultant & employee benefits	437	389	(11%)
Business development & marketing	113	354	212%
Professional services	315	107	(66%)
Insurances	86	88	3%
Compliance & share registry	39	72	85%
Other	122	169	38%
Total	2,728	1,591	(42%)

The significant reduction in R&D expenses and associated professional services, and the increase in marketing costs reflect the Company's transition during 2024 from an R&D based business to a commercial enterprise.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs for the half year ended 31 December 2024.

DIVIDENDS PAID OR RECOMMENDED

There were no dividends paid, recommended or declared during the current or previous financial period.

EVENTS SUBSEQUENT TO REPORTING DATE

On 12 February 2025, the Company announced it had executed a License and Distribution Agreement with Makans Limited (**Makans**) of Lautoka, Fiji Islands, under which Makans will immediately commence promoting and selling Nasodine Nasal Spray in Fiji and South Pacific. The Company expects an initial order from Makans of approximately 1,000 units of Nasodine Nasal Sprays.

There have been no other material events or circumstances that have arisen since the date of this report.

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DIRECTORS' REPORT

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

As outlined in the Company's most recent Annual Report to Shareholders dated 30 June 2024, the Company believes "the world needs Nasodine" and Firebrick's mission is to make Nasodine[®] Nasal Spray (and a range of follow-on products) available in as many countries as possible and as quickly as possible. The Company has already done so in the United States and Singapore. In Singapore, Nasodine is now available in the Guardian retail pharmacy chain and is being promoted and sampled to doctors. These are very recent developments, and as consumer and HCP adoption of Nasodine grows in Singapore during calendar 2025, we expect to see significant sales growth occurring.

The Company also expects to launch Nasodine into the Philippines in 2026, through its licensing partner there SV More, once local manufacturing has been established and Philippines regulatory approval obtained. Unlike Singapore, where the Company is responsible for manufacturing and all marketing costs, the Philippines license agreement sees all manufacturing and marketing paid for by the Company's licensing partner.

The Company is now receiving inquiries from prospective partners in other countries, which may lead to future launches of Nasodine beyond the current three markets of US, Singapore and the Philippines. Should these lead to launches in new markets, then the Company expects the licensing arrangements to follow the Philippines model.

The overall business strategy for the Company was described in "The Firebrick Vision" in the FY24 Annual Report. According to that vision statement, Firebrick will remain a relatively lean organisation in Australia with a low-cost base, that is focused on international partnering, new intellectual property (IP) development and new product development (NPD). In 5 years, the Company expects Nasodine products to be on the market in many countries, delivering profitable, growing royalties to Firebrick and with Firebrick viewed by the market as a successful Australian pharmaceutical innovator.

MATERIAL RISKS

There is a small number of risks that, either individually or in combination, may materially and adversely affect the future operating and financial performance and prospects of Firebrick and the value of its shares. Some of these risks may be mitigated by Firebrick's internal controls and processes, but some are outside the control of Firebrick, its directors and management. The medium-term material risks identified by management are described below.

Manufacturing & Execution Risk

The Company may be required to manufacture Nasodine outside of Australia to meet local regulatory requirements; this has already occurred in the US and is expected to occur in the Philippines. This could introduce a range of risks, including technology transfer risk, foreign currency risk and supply and logistics risks. The Company will seek to mitigate these risks either directly or with the assistance of its existing business partners, where applicable.

Sales development

There is the risk that sales development will be significantly lower than expected, take longer than anticipated to be achieved or otherwise be less profitable than expected, due to a range of factors, including the complexity and challenges of marketing a new product in foreign markets and foreign currency exchange risks. Allied to this is the potential for unexpected regulatory intervention or changes that reduce or prevent the commercial sales of Nasodine in some markets outside Australia.

Funding Risk

The Company will need to continue to fund its core operations and to support manufacturing and marketing costs in the US and Singapore. Until such time as the profits from sales are sufficient to cover the Company's operating costs, the Company will be required to raise additional funds to cover operating expenses and supplement its cash reserves. However, the risk exists that the quantum of funding needed may be greater than anticipated, and/or that the Company may not be able to raise sufficient new funds from the sale of equity to adequately cover expenses.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the half-year ended 31 December 2024 has been received and can be found on page 6 of this half-year report.

Signed in accordance with a resolution of the Board of Directors.



Dr Peter Molloy

Executive Chairman & Chief Executive Officer

20 February 2025

DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF FIREBRICK PHARMA LIMITED

As lead auditor for the review of Firebrick Pharma Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Firebrick Pharma Limited and the entities it controlled during the period.



Jackson Wheeler
Director

BDO Audit Pty Ltd
Perth
20 February 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 2024 \$	31 Dec 2023 \$
Revenue	3	196,752	-
Cost of goods sold		(56,822)	-
Gross Profit		139,930	-
Other income *		316	1,816,127
Interest Income		5,059	12,270
Research and development expenses	4	(412,295)	(1,615,588)
Manufacturing and distribution expenses		(19,172)	-
Business development and marketing expenses		(354,196)	(112,621)
Consulting fees and employee benefit expenses	4	(389,364)	(437,192)
Compliance and share registry expenses	4	(71,544)	(38,664)
Professional services expenses	4	(107,073)	(314,627)
Insurance expenses		(88,352)	(85,660)
Rent expenses		(29,351)	(48,638)
Other expenses		(61,400)	(70,307)
Share based payments expenses		(55,943)	91
Depreciation expenses		(2,993)	(3,609)
Loss before income tax		(1,446,378)	(898,418)
Income tax expense		-	-
Loss for the period after income tax		(1,446,378)	(898,418)
Other comprehensive (loss)/income		-	-
Total comprehensive loss for the period		(1,446,378)	(898,418)
Basic loss per share (cents per share)	5	(0.72)	(0.51)

* The 31 Dec 2023 figure is the 2023 FY R&D Tax Incentive which was recognised when received. The 2024 FY R&D Tax Incentive was already recognised (accrued) in the Statement of Profit or Loss and Other Comprehensive Income at 30 June 2024 (please refer to the 2024 Annual Report) and therefore, no accrual needed at 31 Dec 2024. The 2024 FY R&D Tax Incentive was received in the period ended 31 December 2024 as disclosed in the Consolidated Statement of Cash Flows on page 9 of this half year report.

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 Dec 2024	30 Jun 2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		905,848	824,776
Trade and other receivables	6	207,234	950,978
Other assets	7	112,363	76,639
Inventory	8	275,217	239,769
TOTAL CURRENT ASSETS		1,500,662	2,092,162
NON-CURRENT ASSETS			
Inventory	8	231,660	211,273
Other assets		38,297	76,100
Plant and equipment		64,600	26,806
TOTAL NON-CURRENT ASSETS		334,557	314,179
TOTAL ASSETS		1,835,219	2,406,341
CURRENT LIABILITIES			
Trade and other payables	9	236,271	149,315
Provisions		102,128	141,754
TOTAL CURRENT LIABILITIES		338,399	291,069
TOTAL LIABILITIES		338,399	291,069
NET ASSETS		1,496,820	2,115,272
SHAREHOLDERS' EQUITY			
Issued capital	10	18,655,188	17,883,205
Reserves	11	759,678	744,090
Accumulated losses		(17,918,046)	(16,512,023)
TOTAL SHAREHOLDERS' EQUITY		1,496,820	2,115,272

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2024

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024	17,883,205	744,090	(16,512,023)	2,115,272
Loss for the period	-	-	(1,446,378)	(1,446,378)
Total comprehensive loss for the period	-	-	(1,446,378)	(1,446,378)
Transactions with owners, recognised directly in equity				
Equity issued during the period (<i>note 10</i>)	796,712	-	-	796,712
Capital raising costs	(24,729)	-	-	(24,729)
Share based payments	-	55,943	-	55,943
Exercise of options	-	(40,355)	40,355	-
Balance at 31 December 2024	18,655,188	759,678	(17,918,046)	1,496,820
Balance at 1 July 2023	17,067,994	986,684	(15,578,662)	2,476,016
Loss for the period	-	-	(898,418)	(898,418)
Total comprehensive loss for the period	-	-	(898,418)	(898,418)
Transactions with owners, recognised directly in equity				
Equity issued during the period (<i>note 10</i>)	12,060	-	-	12,060
Capital raising costs	(181)	-	-	(181)
Share based payments	-	(91)	-	(91)
Exercise of options	-	(142,710)	142,710	-
Balance at 31 December 2023	17,079,873	843,883	(16,334,370)	1,589,386

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 2024 \$	31 Dec 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government grants and tax incentives		919,656	1,816,127
Receipts from customers		53,103	-
Interest received		5,059	12,270
Payments for research and development		(267,908)	(1,730,187)
Payments for business development and marketing		(271,763)	(120,301)
Payments to suppliers and employees		(1,035,395)	(991,948)
Net cash (used in) operating activities		(597,248)	(1,014,039)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(66,479)	(125)
Net cash (used in) investing activities		(66,479)	(125)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds on issue of shares	10	796,712	12,060
Transaction costs relating to capital raising/exercise of options		(19,894)	(1,770)
Payments for leased assets (including premises)		(32,019)	(45,741)
Net cash provided by/(used in) financing activities		744,799	(35,451)
Net increase/(decrease) in cash and cash equivalents		81,072	(1,049,615)
Cash and cash equivalents at the beginning of the financial period		824,776	2,354,579
Cash and cash equivalents at the end of the period		905,848	1,304,964

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

NOTE 1: GENERAL INFORMATION

a) Statement of compliance

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with IFRS Accounting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual report and should be read in conjunction with the most recent annual financial report.

The half-year financial report was authorised for issue by the board of directors on 20 February 2025.

b) Basis of preparation

The financial statements have been prepared on the basis of historical costs, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies. All amounts are presented in Australian Dollars ("\$"), unless otherwise noted.

Going concern

The half-year financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. The Group incurred a net loss for the half-year ended 31 December 2024 of \$1,446,378 net cash outflow used in operating activities was \$597,248 and cash and cash equivalents as at 31 December 2024 was \$905,848.

The ability of the Group to continue as a going concern is dependent on securing additional funding through sale of equity to continue to fund its operational and technology development activities and sale of Nasodine as an antiseptic/disinfectant in overseas jurisdictions. These conditions indicate a material uncertainty that may cast doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern. However, as at the date of this report, management believes that there will be sufficient funds available to meet the Group's working capital requirements over the next 12 months for the following reasons:

- the Group has been successful in raising capital in last few occasions and management has confidence in its ability to raise further capital if and when required; management expects to conduct at least one capital raising during the coming months.
- Anticipated growth in cash flows from sales of Nasodine as an antiseptic/disinfectant in international markets.
- the directors of Firebrick Pharma Limited have reason to believe that in addition to the cash flow currently available, the level of expenditure can be managed to meet working capital requirements for at least the next 12 months.

The directors plan to continue the Group's operations on the basis outlined above and believe that there will be sufficient funds for the Group to meet its obligations and liabilities for at least twelve (12) months from the date of this report.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2024 annual financial report for the financial year ended 30 June 2024 except for the accounting policy on revenue as discussed at note 3. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Changes to presentation

Where applicable, changes to amounts presented in the comparative reporting period have been made for consistency with the current reporting period.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1(c).

c) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. There have been no changes to accounting estimates and judgements since 30 June 2024 except for:

Revenue from sale of Nasodine® Nasal Sprays (Nasodine)

The Group manufactures and sells Nasodine through distribution partners as well as on e-commerce platforms. For a typical sale of Nasodine on e-commerce platforms, the Group recognises revenue at the point in time when the customer makes the purchase. When using distribution partners, revenue is recognised when the products have been delivered to the distributor whereby the distributor bears the inventory risk and has the ability to enter into agreement with customers to sell Nasodine.

NOTE 2: ADOPTION OF NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2024. The adoption of the below amendment which is relevant to the Group for the current half-year has had no material impact on the disclosures and/or amounts reported in these financial statements.

NOTE 3: REVENUE

	31 Dec 2024	31 Dec 2023
	\$	\$
Revenue from sale of Nasodine Nasal Sprays	196,752	-
	196,752	-

Revenue is recognised based on the five-step model outlined in AASB 15 *Revenue from Contracts with Customers*. The Company derives its revenue from the sale of Nasodine Nasal Sprays. Revenue is recognised at the point in time when the customer makes the purchase and, in the case of a distribution partner, when delivery of the products against the agreed transaction price has happened. Control is considered to be transferred at the point in time when the products have been delivered to the distributor, the distributor has inspected the products and not reported any defects. Delivery has occurred when the products have been shipped to the specific location and the distributor has accepted the goods.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4: LOSS FOR THE PERIOD

	31 Dec 2024 \$	31 Dec 2023 \$
Research and development expenses		
- Contract project expenses	359,437	1,577,041
- Patent expenses	52,858	38,547
	412,295	1,615,588
Consulting fees and employee benefit expense		
- Consulting fees	32,840	130,769
- Employee benefits expense	356,524	306,423
	389,364	437,192
Compliance and share registry expense		
- ASX fees	19,361	20,062
- Share registry expense	52,183	18,602
	71,544	38,664
Professional fees		
- Accounting fees	30,000	30,000
- Audit and tax expenses	29,428	40,170
- Legal fees	17,645	216,457
- Company secretary fees	30,000	28,000
	107,073	314,627

NOTE 5: LOSS PER SHARE

	31 Dec 2024 \$	31 Dec 2023 \$
(Loss) per share ("EPS") (cents per share)	(0.72)	(0.51)
a) (Loss) used in calculation of basic EPS and diluted EPS	(1,446,378)	(898,418)
b) Weighted average number of ordinary shares outstanding during the half year used in calculation of basic and diluted loss per share	201,662,842	176,364,769

NOTE 6: TRADE AND OTHER RECEIVABLES

	31 Dec 2024 \$	30 June 2024 \$
CURRENT		
Research and development tax incentive	-	919,657
Goods and services tax	53,528	30,293
Trade receivables	153,706	1,028
	207,234	950,978

All amounts are short-term. The net carrying value of other receivables is considered a reasonable approximation of fair value. All receivables are expected to be recovered in full.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7: OTHER ASSETS

CURRENT

	31 Dec 2024 \$	30 June 2024 \$
Deposits	5,353	5,353
Website costs	10,238	7,990
Prepayments	96,772	63,296
	112,363	76,639

NOTE 8: INVENTORY

CURRENT

Finished goods – at cost	275,217	239,769
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NON-CURRENT

Raw materials – at cost	231,660	211,273
	506,877	451,042

Inventory relates to Nasodine Nasal Sprays. This includes raw materials purchased that will be used in production and finished goods Nasal Sprays.

NOTE 9: TRADE AND OTHER PAYABLES

CURRENT

	31 Dec 2024 \$	30 June 2024 \$
Trade payables	183,341	68,902
Accruals	15,000	37,600
Other payables	37,929	42,813
	236,270	149,315

All amounts are short-term. The carrying values of trade payables are considered to approximate fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10: ISSUED CAPITAL

	31 Dec 2024 \$	30 Jun 2024 \$
210,108,508 fully paid ordinary shares (30 Jun 2024: 195,306,736)	18,655,188	17,883,205

Fully paid ordinary shares	31 Dec 2024		30 Jun 2024	
	No.	\$	No.	\$
Balance at beginning of period	195,306,736	17,883,205	176,246,736	17,067,994
Exercise of share options (i)	360,000	2,412	-	-
Share Purchase Plan (ii)	11,556,318	635,600	-	-
Shortfall Placement (iii)	2,885,454	158,700	-	-
Exercise of share options (iv)	-	-	1,800,000	12,060
Exercise of share options (v)	-	-	900,000	6,030
Exercise of share options (vi)	-	-	360,000	2,412
Share placement (vii)	-	-	16,000,000	800,000
Share issue costs	-	(24,729)	-	(5,291)
	210,108,508	18,655,188	195,306,736	17,883,205

(i) Issue of shares on exercise of 360,000 unlisted options at \$0.0067 each on 4 September 2024.

(ii) Issue of shares pursuant to a Share Purchase Plan (SPP) at \$0.055 per share on 10 October 2024.

(iii) Issue of shares pursuant to the SPP Shortfall at \$0.055 per share on 16 October 2024.

(iv) Issue of shares on exercise of 1,800,000 unlisted options at \$0.0067 each on 19 December 2023.

(v) Issue of shares on exercise of 900,000 unlisted options at \$0.0067 each on 23 January 2024.

(vi) Issue of shares on exercise of 360,000 unlisted options at \$0.0067 each on 23 April 2024.

(vii) Issue of shares pursuant to a Placement at \$0.05 per share on 29 May 2024.

Capital Management

Due to the nature of the Company's activities, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet due diligence programs and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

NOTE 11: RESERVE

	No of Options	\$
Opening balance at 1 July 2024	5,339,000	744,090
Pro-rata expense of options issued	11,000,000	55,943
Options exercised during the period	(360,000)	(40,355)
Closing balance at 31 December 2024	15,979,000	759,678

As at 31 December 2024, the following options were on issue:

Grant Date	Expiry Date	Exercise Price	Number of shares under option
1 April 2020	1 April 2025	\$0.01	189,000
31 March 2020	31 March 2025	\$0.01	2,700,000
1 September 2020	1 September 2025	\$0.025	180,000
22 January 2021	22 January 2026	\$0.0233	945,000
1 April 2021	1 April 2026	\$0.0217	540,000
1 June 2021	1 June 2026	\$0.0167	225,000
24 May 2022	23 November 2026	\$0.420	100,000
24 November 2022	23 November 2026	\$0.420	100,000
29 May 2024	28 May 2026	\$0.075	8,000,000
9 September 2024	8 September 2027	\$0.090	1,500,000
19 December 2024	18 December 2027	\$0.090	1,500,000
			15,979,000

NOTE 12: SUBSIDIARIES

Subsidiary	Country of Incorporation	Percentage owned	
		31 Dec 2024	30 Jun 2024
Anti-Viral Innovations Pty Ltd (i)	Australia	100%	100%
Firebrick Pharma Inc	United States of America	100%	100%
Nasodine LLC	United States of America	100%	100%

(i) Anti-Viral Innovations Pty Ltd is a dormant company with no operations at 31 December 2024 and 30 June 2024.

NOTE 13: SEGMENT INFORMATION

The Group operates in one business segment, namely the development and commercialisation of a povidone-iodine nasal spray. AASB 8 Operating Segments states that similar operating segments can be aggregated to form one reportable segment. However, none of the operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Group has therefore decided to aggregate all its reporting segments into one reportable segment.

The revenue and results of this segment are those of the Group as a whole and are set out in the consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities are those of the Group and set out in the consolidated statement of financial position.

NOTE 14: COMMITMENTS AND CONTINGENT LIABILITIES

The Group's commitments and contingent liabilities are consistent with those disclosed in the Group's 30 June 2024 Annual Report. There has been no significant change in contingent liabilities and/or contingent assets since the last annual report.

NOTE 15: RELATED PARTY TRANSACTIONS

Transactions with related parties are entered into on terms equivalent to those that prevail in arm's length transactions.

The Group had the following transactions with members of the Group's key management personnel and/or their related parties during the half year ended 31 December 2024:

Participation in a Share Purchase Plan

Pursuant to a Share Purchase Plan of \$794,300 (before transaction costs) in October 2024, Dr Molloy (or his nominee) and Dr Goodall (or his nominee) applied for 454,545 and 181,818 ordinary shares respectively at \$0.055 per share. The nominees of Dr Molloy and Dr Goodall were issued the number of shares applied for on 10 October 2024.

There were no other transactions with related parties during the half-year ended 31 December 2024.

NOTE 16: EVENTS SUBSEQUENT TO REPORTING DATE

On 12 February 2025, the Company announced it had executed a License and Distribution Agreement with Makans Limited (**Makans**) of Lautoka, Fiji Islands, under which Makans will immediately commence promoting and selling Nasodine Nasal Spray in Fiji and South Pacific. The Company expects an initial order from Makans of approximately 1,000 units of Nasodine Nasal Sprays.

There have been no other material events or circumstances that have arisen since the date of this report.

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The Directors declare that, in the Directors' opinion:

- (a) the attached financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Dr Peter Molloy
Executive Chairman & Chief Executive Officer
Melbourne, 20 February 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Firebrick Pharma Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Firebrick Pharma Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 (b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

A handwritten signature in black ink that reads 'BDO'.A handwritten signature in black ink, appearing to be 'JW', written over a horizontal line.

Jackson Wheeler

Director

Perth, 20 February 2025

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